



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution to Grant Designated Period for Two Years Additional Service Credit.

MEETING DATE: March 4, 2009

SUBMITTED BY: Human Resources Manager

RECOMMENDED ACTION: Adopt resolution to grant designated period for Two Years Additional Service Credit.

BACKGROUND INFORMATION: The budget shortfall in FY 2008/09 and the anticipated need to further reduce City spending in FY 2009/10 has necessitated the City explore additional options to reduce staffing. California Government Code Section 20903, through CalPERS, allows the City (as part of a budget-reduction process) to offer a retirement incentive of two years service credit to employees. The City's contract with CalPERS allows this option to be offered to Miscellaneous and Fire (sworn) employees, with the requirement that participating employees be at least 50 years old, have five years of service credit with PERS, and retire within a specified period of time as identified by the City.

The City of Lodi desires to designate a period in which eligible employees qualify for Two Years Additional Service Credit, based on the amendment to the PERS contract.

The designated period for Two Years Additional Service Credit would begin March 5, 2009 and go through August 31, 2009 for eligible Miscellaneous and Fire (sworn) members in the following classifications: Associate Civil Engineer, Building Inspector II, Dispatcher/Jailer, Fire Captain, Fire Chief, Fire Inspector, Park Maintenance Worker II & III, Program Coordinator, Public Works Inspector, and Senior Planner.

California Public Employees' Retirement System (CalPERS) requires a two-step process in which the cost of the increase in retirement benefits must be made public at least two weeks prior to the adoption of the final resolution. This resolution grants final approval and completes the process.

FISCAL IMPACT: The cost of this benefit will be amortized over 20 years and included in the City's CalPERS employer contribution rate beginning in FY 2011-2012. Although the net savings depends on the number of employees who accept the benefit, the anticipated job vacancies are expected to save the City nearly \$1 million annually.

FUNDING AVAILABLE: Not applicable.

Respectfully submitted,

Dean Guico, Human Resources Manager

APPROVED:

Blair King, City Manager



CITY OF LODI COUNCIL COMMUNICATION

TM

AGENDA TITLE: Adopt Resolution to Grant Designated Period for Two Years Additional Service Credit.

MEETING DATE: March 4, 2009

SUBMITTED BY: Human Resources Manager

RECOMMENDED ACTION: Adopt resolution to grant designated period for Two Years Additional Service Credit.

BACKGROUND INFORMATION: The budget shortfall in FY 2008/09 and the anticipated need to further reduce City spending in FY 2009/10 has necessitated the City explore additional options to reduce staffing. California Government Code Section 20903, through CalPERS, allows the City (as part of a budget-reduction process) to offer a retirement incentive of two years service credit to employees. The City's contract with CalPERS allows this option to be offered to Miscellaneous and Fire (sworn) employees, with the requirement that participating employees be at least 50 years old, have five years of service credit with PERS, and retire within a specified period of time as identified by the City.

The City of Lodi desires to designate a period in which eligible employees qualify for Two Years Additional Service Credit, based on the amendment to the PERS contract.

The designated period for Two Years Additional Service Credit would begin March 5, 2009 and go through August 31, 2009 for eligible Miscellaneous and Fire (sworn) members in the following classifications: Associate Civil Engineer, Building Inspector II, Dispatcher/Jailer, Fire Captain, Fire Chief, Fire Inspector, Park Maintenance Worker II & III, Program Coordinator, Public Works inspector, and **Senior Civil Engineer, Senior Planner, Senior Programmer/Analyst, Streets & Drainage Manager.**

California Public Employees' Retirement System (CalPERS) requires a two-step process in which the cost of the increase in retirement benefits must be made public at least two weeks prior to the adoption of the final resolution. This resolution grants final approval and completes the process.

FISCAL IMPACT: The cost of this benefit will be amortized over 20 years and included in the City's CalPERS employer contribution rate beginning in FY 2011-2012. Although the net savings depends on the number of employees who accept the benefit, the anticipated job vacancies are expected to save the City nearly \$1 million annually.

FUNDING AVAILABLE: Not applicable.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "D. Gualco".

Dean Gualco, Human Resources Manager

APPROVED: _____

A handwritten signature in black ink, appearing to read "Blair King".

Blair King, City Manager

RESOLUTION NO. 2009-_____

A RESOLUTION OF THE LODI CITY COUNCIL TO
GRANT ANOTHER PERIOD FOR TWO YEARS
ADDITIONAL SERVICE CREDIT

=====

WHEREAS, the City Council of the City of Lodi is a contracting Public Agency of the Public Employees' Retirement System; and

WHEREAS, the City of Lodi desires to provide another designated period for Two Years Additional Service Credit, Section 20903, based on the contract amendment included in said contract which provided for Section 20903, Two Years Additional Service Credit, for eligible members;;

NOW, THEREFORE, BE IT RESOLVED that said City Council does seek to add another designated period, and does hereby authorize this Resolution, indicating a desire to add a designated period from March 5, 2009 through August 31, 2009 for eligible members in the following classifications:

Classification	Department
Associate Civil Engineer	Public Works
Building Inspector II	Community Development
Dispatcher/Jailer	Police
Fire Captain	Fire
Fire Chief	Fire
Fire Inspector	Fire
Park Maintenance Worker II & III	Parks and Recreation
Program Coordinator	Community Center
Public Works Inspector	Public Works
Senior Civil Engineer	Public Works
Senior Planner	Community Development
Senior Programmer/Analyst	Information Systems
Streets & Drainage Manager	Public Works

Date: March 4, 2009

=====

I hereby certify that Resolution No. 2009-_____ was passed and adopted by the Lodi City Council in a regular meeting held March 4, 2009, by the following vote:

AYES: COUNCIL MEMBERS -

NOES: COUNCIL MEMBERS -

ABSENT: COUNCIL MEMBERS -

ABSTAIN: COUNCIL MEMBERS -

RANDI JOHL
City Clerk

RESOLUTION NO. 2009-26

A RESOLUTION OF THE LODI CITY COUNCIL
GRANTING ANOTHER PERIOD FOR TWO YEARS
ADDITIONAL SERVICE CREDIT

WHEREAS, the City Council of the City of Lodi is a contracting Public Agency of the Public Employees' Retirement System: and

WHEREAS, the City of Lodi desires to provide another designated period for *two* years additional service credit, Section 20903, based on the contract amendment included in said contract which provided for Section 20903, Two Years Additional Service Credit, for eligible members.

NOW, THEREFORE, BE IT RESOLVED that said City Council does seek to add another designated period, and does hereby authorize this Resolution, indicating a desire to add a designated period from March 5, 2009 through August 31, 2009, for eligible members in the following classifications:

Classification	Department
Associate Civil Engineer	Public Works
Building Inspector II	Community Development
Dispatcher/Jailer	Police
Fire Captain	Fire
Fire Chief	Fire
Fire Inspector	Fire
Park Maintenance Worker II & III	Parks and Recreation
Program Coordinator	Community Center
Public Works Inspector	Public Works
Senior Civil Engineer	Public Works
Senior Planner	Community Development
Senior Programmer/Analyst	Information Systems
Streets & Drainage Manager	Public Works

Date: March 4, 2009

I hereby certify that Resolution No. 2009-26 was passed and adopted by the Lodi City Council in a regular meeting held March 4, 2009, by the following vote:

AYES: COUNCIL MEMBERS – Hitchcock, Johnson, Katzakian, Mounce,
and Mayor Hansen

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


RANDI JOHL
City Clerk

CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Employer Services Division
Contract Maintenance Unit
PO Box 942709
Sacramento, CA 94229-2709

CERTIFICATION OF GOVERNING BODY'S ACTION

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the City Council of the City of Lodi on March 5, 2009.



Clerk/Secretary

Randy Juhl. City Clerk
Title

CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM

Employer Services Division
Contract Maintenance Unit
PO Box 942709
Sacramento, CA 94229-2709

CERTIFICATION OF COMPLIANCE WITH GOVERNMENT CODE SECTION 20903

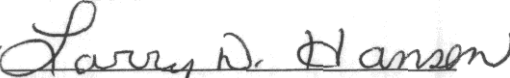
In accordance with Government Code Section 20903 and the contract between the Public Employees' Retirement System, the City Council of the City of Lodi hereby certifies that:

1. Because of an impending curtailment of, or change in the manner of performing service, the best interests of the agency will be served by granting such additional service credit.
2. The added cost to the retirement fund for all eligible employees who retire during the designated window period will be included in the contracting agency's employer contribution rate for the fiscal year that begins two years after the end of the designated period.
3. It has elected to become subject to Section 20903 because of impending mandatory transfers, demotions, and layoffs that constitute at least 1 percent of the job classification, department or organizational unit, as designated by the governing body, resulting from the curtailment of, or change in the manner of performing, its services.
4. Its intention at the time Section 20903 becomes operative is to keep all vacancies created by retirements under this section or at least one vacancy in any position in any department or other organizational unit permanently unfilled thereby resulting in an overall reduction in the work force of such department or organizational unit.

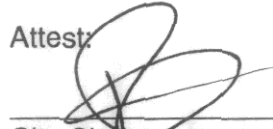
THEREFORE, the City Council of the City of Lodi hereby elects to provide the benefits of Government Code Section 20903 to all eligible members who retire within the designated period, March 5, 2009 through August 31, 2009.

CITY COUNCIL
OF THE
CITY OF LODI

BY


Mayor - Larry D. Hansen

Attest:


City Clerk - Randi Juhl

Date

3/5/09